This section discusses the long-term implications of the project as required by CEQA. The topics discussed include significant irreversible environmental changes/irretrievable commitment of resources, growth-inducing impacts, and significant and unavoidable environmental effects.

6.1 IRREVERSIBLE ENVIRONMENTAL CHANGES

CEQA REQUIREMENT

Public Resources Code Section 21100(b)(2)(B) requires an Environmental Impact Report to include a detailed statement setting forth any significant effects on the environment that would be irreversible if a project is implemented. Examples of irreversible environmental changes, as set forth in CEQA Guidelines Section 15126.2(c), include the following:

- The project would involve a large commitment of nonrenewable resources such that removal or nonuse thereafter is unlikely;
- The primary and secondary impacts of a project would generally commit future generations to similar uses (e.g. a highway providing access to a previously inaccessible area);
- The project involves uses in which irreversible damage could result from any potential environmental accidents associated with the project; or
- The phasing of the proposed consumption of resources is not justified (e.g. the project involves the wasteful use of energy).

A proposed project would result in significant irreversible effects if it is determined that key resources would be degraded or destroyed to the extent that there is little possibility of restoring them. Irreversible environmental changes should be evaluated to assure that such current consumption is justified (CEQA Guidelines Section 15126.2(c)).

ANALYSIS

The proposed project would result in an increased intensity of development, with the conversion of currently rural residential and agricultural uses to commercial uses. A variety of nonrenewable and limited resources would be irretrievably committed for project construction and maintenance, including, but not limited to, oil, natural gas, gasoline, lumber, sand and gravel, asphalt, steel, water, land, energy, construction materials and human resources. In addition, the proposed project would result in an increase in demand on public services and utilities.

6.0 OTHER SECTIONS REQUIRED BY CEQA

An increase in the intensity of land uses at the project site would result in an increase in regional electric energy consumption to satisfy additional electricity demands from the proposed project. These energy resource demands relate to initial project construction, transport of people and goods, and lighting, heating and cooling of buildings.

Development of the project site to support urban uses may be regarded as a permanent and irreversible change. The project site was historically used for agriculture and residential uses. Site development would demolish the existing residential homes and eliminate the possibility for agricultural production on the project site. Grading, utility extensions, drainage improvements, new and improved roadways, and construction of buildings would permanently alter the character of the site to one that is more urbanized. The proposed project would generally commit future generations to similar urban uses on the site.

6.2 GROWTH INDUCING IMPACTS

CEQA REQUIREMENT

Public Resources Code Section 21100(a)(5) requires that the growth-inducing impacts of a project be addressed in the EIR. A project may be growth-inducing if it directly or indirectly fosters economic or population growth or additional housing, removes obstacles to growth, taxes community services facilities, or encourages or facilitates other activities that cause significant environmental effects (CEQA Guidelines Section 15126.2(d)). Direct growth-inducing impacts result when the development associated with a project directly induces population growth or the construction of additional developments within the same geographic area. These impacts may impose burdens on a community or encourage new local development, thereby triggering subsequent growth-related impacts.

The analysis of potential growth-inducing impacts includes a determination of whether a project would remove physical obstacles to population growth. This often occurs with the extension of infrastructure facilities that can provide services to new development. Indirect growth-inducing impacts result from projects that serve as catalysts for future unrelated development in an area. Development of public institutions, such as colleges, and the introduction of employment opportunities within an area are examples of projects that may result in indirect growth-inducing impacts.

CEQA provides no criteria for determining if induced growth is detrimental or beneficial. Induced growth is considered a significant impact only if it directly or indirectly affects the ability of agencies to provide needed public services, or if it can be demonstrated that the potential growth could significantly affect the environment in some other way.

Precedent for Further Expansion of the Urban Area and Removal of Obstacles to Growth

Approval of the proposed project would not represent a new commitment of rural lands for urban development. The project site is located within the city limits of Morgan Hill at the border of the urban growth boundary (UGB), which borders the project site to the north. The UGB is an officially adopted and mapped line dividing land to be developed from land to be protected for natural or rural uses, including agriculture. The project site has a General Plan designation of 'Commercial' in the *City of Morgan Hill General Plan* and a zoning designation of 'PUD (HC)' in the *City of Morgan Hill Planning and Zoning Codes*. The *City of Morgan Hill General Plan* designates the project site as the location of a subregional commercial site. The project site has been designated for urban uses in the City of Morgan Hill General Plan since 1969 (Personal communication with Rebecca Tolentino, Associate Planner, City of Morgan Hill, April 7, 2005). The City of Morgan Hill and the County of Santa Clara have strong policies supporting the protection of agricultural lands.

The proposed project includes a General Plan Amendment (GPA) for the relocation of a future collector street extending from Mission View Drive north of Cochrane Road instead of extending from De Paul Drive (formerly St. Louise Drive) as designated on the *City of Morgan Hill General Plan* map. The *City of Morgan Hill General Plan* anticipated the extension of St. Louise Drive to areas north of the project site; therefore, this policy change of extending Mission View Drive instead of De Paul Drive would not remove obstacles to growth and/or establish a policy precedent for ad hoc urban expansion beyond the UGB, as this has been previously evaluated in the *City of Morgan Hill General Plan*. Moreover, development of properties to the north and east of the project site, located in the *City's* sphere of influence and designated 'Rural County' and 'Single Family Residential' in the *City of Morgan Hill General Plan* respectively, would have to be annexed to the City and would be subject to the City's Residential Development Control System. Therefore, development of the proposed project would not remove obstacles to the development of adjacent lands and/or hasten their development.

Stimulus for Economic Growth

The proposed commercial shopping center would stimulate growth by providing employment opportunities, as well as indirect growth through demand for goods and services. This could contribute to incremental secondary effects such as increased hiring by suppliers. The retail establishments would also generate significant sales tax revenue for the City, which could enable expenditures on capital improvement projects and/or City programs that would also stimulate secondary economic activity. During the construction phase, temporary jobs would be created and others supported in the purchase of materials.

Population and Housing Growth

Some of the jobs openings provided by the proposed project could be filled by local residents in Morgan Hill. To the extent that new employees of the proposed project would not already live within an acceptable commute range of the proposed project, they could be induced to move to the area, thus creating a slight increase in local housing demand. However, this minor increase in housing demand would not be significant and could be readily absorbed by the local housing inventory. More importantly, the growth management policies of the City of Morgan Hill limit the number of annual building permits for dwelling units through the Residential Development Control System. The increase in population is expected to be minimal and should not induce substantial population and housing growth.

In summary, the proposed project would not result in a significant growth inducement by way of setting a precedent for further urban expansion, by creating excess infrastructure capacities, or by removing obstacles to further growth.

6.3 SIGNIFICANT AND UNAVOIDABLE ENVIRONMENTAL EFFECTS

Public Resources Code Section 21100(b)(2)(A) requires an EIR to include a detailed statement setting forth any significant effects on the environment that cannot be avoided if a project is implemented. CEQA Guidelines Section 15126.2(b) states that such impacts include those which can be mitigated but not reduced to a level of insignificance. In addition, Section 15093(a) of the CEQA Guidelines allows the decision-making agency to determine if the benefits of a proposed project outweigh the unavoidable adverse environmental impacts of implementing the project. The City of Morgan Hill can approve a project with unavoidable adverse impacts if it prepares a "Statement of Overriding Considerations" setting forth the specific reasons for making such a judgment. Statement of Overriding Considerations is a statement of the City of Morgan Hill's views on the ultimate balancing of the merits of approving a project despite its environmental damage. The Statement of Overriding Considerations must be in writing and state specific reasons supporting the City's action based on the Final EIR or other substantial evidence in the record. Substantial evidence includes facts, reasonable assumptions predicated upon facts and expert opinions supported by facts. Substantial evidence is not argument, speculation, unsubstantiated opinion or narrative, evidence which is clearly inaccurate or erroneous, or evidence of social or economic impacts which do not contribute to or are not caused by physical impacts on the environment.

Based upon the environmental analysis provided in **Section 3.0**, most of the potential impacts associated with the proposed project can be avoided or reduced to a less than significant level through the application of mitigation measures that would be implemented in conjunction with the proposed project. However, there are several significant impacts

that cannot be feasibly mitigated to a less than significant level. These significant and unavoidable impacts of the proposed project are listed below:

- Significant Impacts to Agricultural Resources
- Significant Impacts to Regional Air Quality
- Short-Term Significant Impacts to Operational Noise
- Significant Impacts to Traffic and Circulation
- Significant Impacts to Land Use
- Significant Cumulative Impacts to Regional Air Quality
- Short-Term Significant Cumulative Impacts to Operational Noise
- Significant Cumulative Impacts to Traffic and Circulation

6.4 EFFECTS FOUND NOT TO BE SIGNIFICANT

A significant effect on the environment is generally defined as a substantial or potentially substantial adverse change in the physical environment (CEQA Guidelines Section 15358). The term "environment", as used in this definition, means the physical conditions that exist within the area that will be affected by a proposed project including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance. The area involved shall be the area in which significant effects would occur either directly or indirectly as a result of the project. The "environment" includes both natural and manmade conditions (CEQA Guidelines Section 15360).

Detailed analyses and discussion of environmental topics found to have a less than significant impact are provided within **Section 3.0** of this EIR. Listed below are those environmental issues found to have absolutely no impact as a result of the project. This determination is based on the standards of significance contained within the CEQA Guidelines and the Notice of Preparation process for the proposed project. The completed NOP and responses from the public and affected agencies and organizations are included in **Appendix A**.

MINERAL RESOURCES

According to the *City of Morgan Hill General Plan* and the *City of Morgan Hill General Plan EIR*, there are no mineral resource areas located at or in the vicinity of the project site. Therefore, implementation of the proposed project would not result in the loss of availability of a known mineral resource that would be of value to the region and residents of the state or that is delineated on a local general plan, specific plan, or other land use plan. Therefore, impacts to mineral resources are considered **less than significant.**

6.0 OTHER SECTIONS REQUIRED BY CEQA

RECREATION

The project site is currently used for residential and agricultural uses and its conversion to a commercial center would not conflict with any established recreational land uses or inhibit the ability to provide recreational opportunities in the future. The proposed project is consistent with the *City of Morgan Hill General Plan* and does not conflict with the *City of Morgan Hill Park and Recreation Master Plan*.

New jobs created as a result of the project may result in the migration of individuals and households to the City of Morgan Hill as residents or commuting workers. Such migration will be severely restricted by the growth management policies of the City of Morgan Hill that limits the number of annual building permits for dwelling units through the Residential Development Control System. The increase in population is expected to be minimal and should not result in additional demand for parks and recreation facilities. Therefore, impacts to recreation are considered **less than significant**.

POPULATION AND HOUSING

The proposed project would demolish three residential homes with implementation of the proposed project. The residents can be readily absorbed into the existing housing stock. Therefore, the proposed project would not displace substantial numbers of existing housing or people, necessitating the construction of replacement housing elsewhere.

The proposed project is estimated to employ upwards of 945 people. Some of the jobs openings provided by the proposed project could be filled by local residents in Morgan Hill. However, new jobs may result in the migration of future employees to the City of Morgan Hill. Such migration will be severely restricted by the growth management policies of the City of Morgan Hill. The increase in population is expected to be minimal and should not induce substantial population growth. Therefore, the proposed project would have a **less than significant impact** on population and housing.